

USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

Date: 7/10/2007

GAIN Report Number: MX7050

Mexico

Fresh Deciduous Fruit

New Duties for Imported Apples from Non-NFE Companies

2007

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Report Highlights:

On July 3, 2007, the Secretariat of Economy (SE) published a resolution regarding the antidumping duties on Red and Golden Delicious apples. This resolution effectively nullified the August 12, 2002 resolution, which imposed a duty of 46.58 percent on imported Red and Golden Delicious apples from all but two U.S. companies that are not members of the Northwest Fruit Exporters (NFE). Thus, as of July 4, 2007, non-NFE companies are no longer subject to a compensatory duty when exporting Red and Golden Delicious apples to Mexico.

> Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Mexico [MX1] [MX]

Introduction: This report summarizes an announcement that cancels compensatory duties for non-NFE members published in Mexico's "Diario Oficial" (Federal Register) on July 3, 2007.

Disclaimer: This summary is based on a *cursory* review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

Title: Resolution to comply with a verdict issued by the First Section of the Upper Court of the Federal Tribunal of Fiscal and Administrative Justice on March 29, 2005, in the trial of nullity 24651/03-17-09-9/4/05-S1-02-01 promoted by Comercializadora de Frutas Finas Tarahumaras, S.A. de C.V. and others, and to the various of March 20, 2007, related to the complaint issued by the same companies.

FAS/Mexico's Executive Summary: On November 13, 2002, a small number of Mexican fruit importing companies petitioned the Secretariat of the Economy (SE) to revoke the August 12, 2002 final resolution on anti-dumping duties on Red and Golden Delicious apples shipped by non-Northwest Fruit Exporters (NFE) companies. This resolution imposed a compensatory duty of 46.58 percent on imported Red and Golden Delicious apples from all but two U.S. companies that are not members of the NFE. The two excepted companies received a zero duty from that ruling. This ruling was confirmed roughly one year later, on August 6, 2003. The Mexican companies were given an opportunity on October 10, 2003, to state their case for the nullification of the August 2002 ruling in front of the Federal Tribunal of Fiscal and Administrative Justice. The Mexican fruit importing companies were successful in their arguments, and on March 29, 2005 the Federal Tribunal issued a verdict declaring the nullification of the August 12, 2002 publication, as well as the confirmation of that decision. The Secretariat of the Economy (SE) disagreed with this ruling, and appealed the decision. UNIFRUT, the Mexican Apple Producers Association, complemented this appeal by petitioning the court for an injunction against the Federal Tribunal decision. However, the SE appeal was rejected, and the UNIFRUIT court injunction was denied. On March 20, 2007, the Federal Tribunal demanded that SE comply with the March 29, 2005 verdict, and gave SE 20 days to meet the terms of this ruling.

On July 3, 2007, SE announced in the *Diario Oficial* (Federal Register) that the Final Resolution on the antidumping case on Red and Golden Delicious Apples, published on August 12, 2002, is without effect, as well as the confirmation of this ruling in the same publication on August 6, 2003. The cancellation of this resolution essentially means that **non-Northwest Fruit Exporters (NFE) companies are no longer subject to a compensatory duty when exporting Red and Golden Delicious apples to Mexico**. SE considers NFE members to be those companies listed in the May 25, 2005 and the November 2, 2006 resolutions published in the Diario Oficial. The compensatory duties published in the resolution of November 2, 2006 are still applicable for NFE companies. (See MX 6094)

Important Dates

Publication Date: July 3, 2007.
Effective Date: July 4, 2007.

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Useful Mexican Web Sites: Mexico's equivalent of the Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx and Mexico's equivalent of the Department of Commerce (SE) can be found at www.economia.gob.mx These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with the information contained on the mentioned sites.